

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING, made this ____ day of _____, 2004, by and between the **VINT HILL ECONOMIC DEVELOPMENT AUTHORITY**, a body politic of the Commonwealth of Virginia (hereafter the "VHEDA") and the **BOARD OF SUPERVISORS OF FAUQUIER COUNTY**, a body politic (hereafter the "Board").

I. RECITALS,

A. WHEREAS, the VHEDA is a political subdivision of the Commonwealth of Virginia created to redevelop the closed military base formally know as Vint Hill Farms Station; and

B. WHEREAS, as part of the development of Vint Hill, the VHEDA will be undertaking major construction projects including the building of roads, installing utilities such as water and sewer lines, building storm water ponds, installing erosion and sediment controls, building storm drain systems and landscaping; and

C. WHEREAS, the Board recognizes the VHEDA as a body politic and further recognizes the benefits of the redevelopment of Vint Hill; and

D. WHEREAS, the VHEDA desires to provide the Board with certain protections if construction projects are delayed or abandoned; now, therefore,

WITNESSETH:

II. CONSIDERATION.

That in consideration of the mutual covenants and promises contained herein, the VHEDA and the Board agree as follows:

III. TERMS.

- a. **Length of Agreement.** This agreement shall be for a term from the date of its execution until such time as the Board determines the commission of the VHEDA has been completed and the Governor of Virginia proclaims the VHEDA is dissolved in accordance with section 15.2-6319 of the Code of Virginia.
- b. **Responsibilities of the VHEDA** During the term of this agreement the VHEDA shall:

- Obtain through either letter of credit or insurance bond, a one million dollar (\$1,000,000) blanket surety to cover all erosion and sediment control and public improvement projects as may normally be required by the Board.
- Name the Board as beneficiary of the one million dollar (\$1,000,000) blanket surety.
- Maintain the blanket surety at one million dollars (\$1,000,000) if the Board elects to call all or any portion of the existing surety.
- Seek and obtain all pertinent state, local and federal permits and approvals prior to undertaking any construction project.
- Follow all typical County requirements and procedures as relate to zoning and subdivision approval processes.

Follow the Virginia Procurement Act including the requirements to have contractors post performance and payment bonds for all projects.

- Provide the Board, through the Director of Community Development, an inventory of all roads being planned for construction, construction plans for the roads planned and roads under construction. Said information shall be provided biannually on January 1st and July 1st and in addition to the other information required herein the VHEDA shall also provide: the scheduled date for the initiation of construction, completion and transfer of the roads to VDOT for maintenance.

- c. **Responsibilities of the Board.** During the term of this agreement the Board shall:

Consider the one million dollar (\$1,000,000) blanket surety as an acceptable bonding level for approvals of zoning, subdivision and land disturbance requests that normally require the applicant to post bond.

- d. **Obligations Subject to Appropriation.** The obligations of the VHEDA and the Board shall be subject to the appropriation of funds by each entity sufficient to meet the obligations imposed hereunder. Should either entity fail to appropriate sums sufficient to meet its obligations under this agreement, the agreement shall terminate upon the last day for which sufficient funds have been appropriated and upon termination all parties shall be released from any and all liabilities hereunder.

- WITNESS** the following signatures and seals:

By _____

By enjo